



## Insurance Institute of Michigan

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April 24, 2012

The Honorable Joe Hune  
Chair, Insurance Committee  
Michigan Senate  
Lansing, Michigan 48909

Dear Chairman Hune:

On behalf of the members of the Insurance Institute of Michigan, I write to express our strong support of House Bill 5362 raising the limit for mini-tort actions under Michigan's system of no-fault auto insurance.

Under Michigan no-fault, the fundamental principle is that drivers insure themselves against loss and, in turn, regardless of fault, seek benefits from their own insurer following an accident. Further, unlike any other state, Michigan also provides for no-fault coverage for collision losses.

One exception to that principle is Michigan no-fault's "mini-tort" provision which allows someone involved in an accident to sue the at-fault party for physical damage to the vehicle not covered by insurance, i.e. the person's deductible. Mini-tort was initially added with a limit of \$400. That limit was raised to \$500 in 1995 to account for inflation. IIM member insurers believe a further increase to \$1,000 is appropriate today and therefore support the legislation.

House Bill 5362 also clarifies that, similar to other existing prohibitions, mini-tort recovery is not available for those driving without proper insurance at the time of the accident.

In light of the above, **we ask that you vote YES on House Bill 5362.** Thank you in advance for your attention to this matter. Please let me know if you have any questions or comments.

Sincerely,

Peter A. Kuhnmueller  
Executive Director  
/dvk